GOVERNMENT OF INDIA
TOURISM
LOK SABHA

UNSTARRED QUESTION NO:1477
ANSWERED ON:30.11.2006
CONSTRUCTION OF NEW HOTELS BY ITDC
Mehta Shri Bhubneshwar Prasad

Will the Minister of TOURISM be pleased to state:

(a) Whether Indian Tourism Development Corporation (ITDC) has sold its valuable property at a throw away price and is framing a policy for construction of five star hotels now ;

(b) If so, the details thereof ;

(c) Whether the Government proposes to refurbish and provide additional facilities in ITDC Hotels; and

(d) If so, the details of the ITDC Hotels, location-wise ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF TOURISM AND CULTURE (SMT. AMBIKA SONI)

(a)and(b) : In pursuance of the recommendation of the Disinvestment Commission, the Government had decided to disinvest ITDC Hotels.All matters relating to disinvestment of ITDC properties were handled by the then Ministry of Disinvestment

(now Department of Disinvestment under the Ministry of Finance). An Inter-Ministerial Group (IMG) under the chairmanship of Secretary (Disinvestment) was constituted by Government for assisting in the process of disinvestment in ITDC.

As approved by the Cabinet Committee on Disinvestment (CCD), Hotel Ashok, Bangalore was given on a long term lease-cum-management contract, while the other 17 hotel units and an incomplete hotel project at Chandigarh were disinvested through the process of demerger under Section 391 of the Companies Act 1956 by incorporating a separate company for each hotel property and the sale of the Government shareholding in it through a bidding process.

(c) and (d):Keeping in view, the requirement of additional rooms for Commonwealth Games 2010, India Tourism Development Corporation has prepared proposals to meet this additional demand for hotel rooms. These proposals are presently at the planning stage.